



TNFORWARD
TOP TO BOTTOM
REVIEW

Chapter 21

TOURIST DEVELOPMENT

HIGHLIGHTS

- Reorganize the department to move community and industry relations positions and other staff, to areas of service in the marketing division that would support the most productive marketing activities and priorities.
- Use new research to provide information on the competitive strengths and weakness of Tennessee as a travel destination.
- Use the strengths of Tennessee to launch a new advertising campaign that successfully integrates a powerful branding element and compelling case for tourists to visit Tennessee.
- Update research to best evaluate media placement strategies and optimize media negotiations that offer in-state tourism businesses the opportunity to place cost-effective cooperative media buys on-line, off-line, and in social media.
- Strengthen visitation between major destination and rural areas of the state by giving a higher priority to the implementation of the sixteen Discover Tennessee Trails and Byways program, and the continued development of the Civil War Trail.

INTRODUCTION

The Department of Tourist Development is responsible for developing and implementing the marketing services necessary to support travel and tourism in Tennessee. In order to implement the mandated services and meet program objectives, the marketing division is divided into activities that include advertising and promotions, public relations and communications, sales, and tourism community support. The department is also responsible for managing the operations of the state's fourteen welcome centers located on all major interstates coming into Tennessee.

The operating programs in the department include human resources, financial management, information technology, and support services. The department has a main office in Nashville, regional offices in Jackson and Knoxville, and fourteen welcome center locations across the state.

The mission of the Department of Tourist Development is to create and promote the desire to travel to and within Tennessee, to develop programs to encourage and support the growth of the state's tourism industry, to manage a system of welcome centers that provides visitors with a positive impression of Tennessee, and to encourage them to extend their stay, all of which contributes to the state's economic growth thereby enriching the quality of life for every Tennessean.

APPROACH/METHODOLOGY

The Top to Bottom Review and recommended actions included ideas and suggestions from internal and external sources. The Executive Steering Committee comprised of internal management reviewed the recommendations in relation to the department's mission, goals and objectives, organization structure, staffing, and financial resources.

Internal surveys were sent to department employees in the central office and to welcome center employees from fourteen locations across the state. In addition, individual one-on-one discussions were conducted to obtain more in-depth information and recommendations for program efficiencies and priorities. These surveys focused on gathering information about:

- What we do well;
- What we could do better;
- What we should discontinue doing; and
- Is there a more efficient and effective way to do it?

External information was gathered from electronic surveys sent to the tourism industry, marketing staff "listening tours" to communities in all nine tourism regions of the state, collective strategic collaboration with our contractors, conversations with tourism industry professionals across the state, "Best Practice" discussions with tourism offices in other states, and initial input from the Tennessee Tourism Committee comprised of tourism industry and business professionals from across Tennessee.

RECOMMENDATIONS

Recommendation 1: Reorganize the department to increase the ability of the Marketing Division to meet the changing needs of marketing strategies.

Discussion: The positions that provided community and industry relations services were reclassified or redirected to support sales activities and provide direct assistance in the implementation of marketing program priorities. The research function in support services was moved to marketing to improve communications. Additionally, the public information officer and legislative liaison duties were combined into one position. These changes have created a more streamlined and efficient organization.

This recommendation has been completed.

Recommendation 2: Streamline the implementation of the sixteen Discover Tennessee Trails and Byways program as well as the on-going development of the Civil War Trail.

Discussion: The trails are designed to encourage travelers to extend their travel plans to rural areas of the state and increase traveler expenditures in those areas. The first trail was launched in November, 2009, and five had been completed by January, 2011.

As a result of the governor's priority to increase economic development programs for rural areas of the state, the department gave the completion of the trails program a higher priority. The department's reorganization enabled the department to assign more staff and time to the project in March of 2011. Consequently, the department has now launched twelve of the sixteen different trails leaving only four left to be launched in 2012. The additional staff assigned will sustain this program in the future.

In addition, there is increased interest in Tennessee's Civil War Trail as a result of the Civil War Sesquicentennial. This renewed interest in history has sparked increased interest in travel to rural areas

of the state where these sites are located. Like the Discover Trails and Byways program, the Civil War Trail program is supported by our website, printed materials, and public relations services.

Recommendation 3: Utilize consumer research to provide information on the competitive strengths and weaknesses of the marketing and advertising campaign and strategies.

Discussion: Consumer research information should provide important data relative to who our primary customers are and where they are from. Utilizing this data, the department’s campaign will be developed to attract those visitors that will bring the greatest return on investment. To determine changes in customer demographics and Tennessee’s competition, it will be necessary to conduct consumer research on a continuing basis.

This recommendation has been completed.

Recommendation 4: Develop and launch a new advertising campaign constructed around the updated research that is designed to provide a new responsive appeal to the traveler.

Discussion: Use strengths of Tennessee as identified in updated consumer research to launch a new advertising campaign that integrates a powerful branding element and a compelling case for tourists to visit Tennessee. This new creative campaign is

expected to generate greater interest in Tennessee as a travel destination. The logo has been changed from “Tennessee the Stage is Set for You” to “Tennessee, We’re Playing Your Song”.

This recommendation has been completed.

Recommendation 5: Update research to determine the effectiveness of media placement strategies and optimize media negotiations that realize the opportunity to place cost-effective cooperative media buys to in-state tourism businesses.

Discussion: Research is conducted to determine the effectiveness of the media placed in the prior year. The most effective media is continued, media not producing the desired results is eliminated, and new media placement opportunities are evaluated.

Using the department’s buying power, the media buyers can negotiate reduced media placement rates for local tourism businesses that would like to take advantage of the reduced rates. These reduced advertising rates are negotiated individually with each advertiser so the savings will vary for each media outlet and each business based on the media it chooses. The advertising cooperative opportunities will be available in all types of media including off-line, on-line, and social media. The buying opportunities will be reevaluated each year.

This recommendation has been completed.

